

# Service Area Plan

*Department of Health*

*Local Home Health and Personal Care Services (44015)*

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## Service Area Background Information

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#### **Service Area Description**

This service area provides home health, personal care, and pre-admission screening for nursing home placement.

In 1965, Federal legislation established Medicare as the health insurance program for Social Security beneficiaries. The Medicare program includes a home health benefit that provides part-time or intermittent care for homebound Medicare recipients. Services require a written physician plan of care and include skilled nursing, physical, occupational and speech therapies, home health aide services and medical social work services. At the time Medicare was enacted, local health departments in Virginia established Medicare-certified Home Health Agencies under the direction of the VDH Office of Home Health Services. Most local health departments provided home health services until the late-1980's, when private home health agencies replaced most of the public agencies during the ensuing decade.

The Omnibus Budget Reconciliation Act (OBRA) of 1997 authorized the reimbursement system for Medicare Home Health benefits to change from fee-for-service to a Prospective Pay System (PPS). This change was implemented in October, 1997 and, along with the increasing prevalence of private agencies across the state, prompted the few remaining local health department home health agencies to close. The Western Tidewater Health District elected not to close its home health agency for two reasons. The district assessed the PPS reimbursement method and determined that public agencies would not experience the reduction in revenue the PPS was predicted to create in private sector agencies. In addition, the experience of the District indicated that there were no private agencies that would accept uninsured or low income self-pay patients or that would serve the total, very rural, geographic area of Western Tidewater. By electing to remain a home health provider, the District assured that services would be available to all eligible residents regardless of their ability to pay or where they lived in Western Tidewater.

The legislation that established Medicare also established the Medicaid insurance program under Title XIX of the Social Security Act as a jointly funded federal and state program to provide medical assistance to low-income individuals. Federal Medicaid law allows states to craft Medicaid waiver programs to meet specific state needs. In 1984, Virginia established the Personal Care program to offer in-home care in lieu of nursing home placement to Medicaid-eligible individuals if the in-home care was less expensive than the cost of a nursing home. A number of local health departments in Virginia elected to contract with the Department of Medical Assistance Services (DMAS) as personal care providers. Over the next 20 years, however, nearly all local health departments closed their Personal Care programs when private sector personal care agencies became robust enough to meet the needs of the community. The Pittsylvania-Danville and Western Tidewater Health Districts have maintained Personal Care programs. Both districts cover large rural areas where the private sector has been unable to meet the demand for services for numerous reasons and the public agencies continue to assure that all eligible residents are able to access the service.

Virginia has initiated other Medicaid waiver programs to improve health care access for specific low-income populations. Among others, they include an AIDS waiver, Respite services for Personal Care recipients, and Mental Retardation waiver services. The Western Tidewater Health District contracts with DMAS to provide Respite services as an adjunct to Personal Care. There are no other providers of MR waiver services in the geographic area served by Western Tidewater, so the district also contracts with DMAS to provide those services to a population who would otherwise remain unserved.

The Medicaid program requires Nursing Home Pre-admission Screening (NHPAS) to assure that extended care facility admission is appropriate. The Code of Virginia requires that local health department staff serve as members of the community-based screening teams. All local health departments in Virginia provide the physician and nurse members of the local screening team.

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#### **Service Area Alignment to Mission**

This service area aligns with the VDH mission to promote and protect the health of Virginians by assuring that a continuum of care exists for individuals at-risk for nursing home placement and for individuals in need of home health, personal care, and other Medicaid waiver services.

#### **Service Area Statutory Authority**

Code of Virginia, Section 32.1-330 requires preadmission screening for all individuals who are eligible for Medicaid at the time of admission to a certified nursing facility or who will become eligible within six months.

Section 32.1-2 authorizes the State Department of Health to provide a comprehensive program of preventive, curative and restorative.....services.

Section 32.1-11 authorizes the State Board of Health to formulate a program of preventive, curative, and restorative medical care services, including home health.

#### **Service Area Customer Base**

Customer(s)	Served	Potential
Individuals requiring public Elder or Disabled Waiver (Personal Care), Respite Care, or Mental Retardation Waiver services as defined by the Department of Medical Assistance Services (Pittsylvania-Danville and Western Tidewater residents only)	374	450
Individuals requiring public home health services as defined by Title XVIII of the United States Social Security Act (Western Tidewater residents only)	395	500
Residents of the Commonwealth who require community-based Nursing Home Pre-Admission Screening.	5,927	6,300

#### **Anticipated Changes In Service Area Customer Base**

VDH is mandated to provide community Nursing Home Pre-admission Screening (NHPAS). As the population ages it can be anticipated that the numbers of individuals needing NHPAS will increase. The majority of NHPAS services are used by individuals that are age 65 years and older. Virginia population that is age 65 years or older (US Census) is projected to increase from 845,000 in 2005 to 1,515,000 in 2025. It is estimated that the number of people needing NHPAS services will increase as the elderly population increases and will likely double over the next 20 years.

External causes impact the provision of public home care services, specifically, the ability of the private sector to provide a comprehensive program of home care that serves all eligible residents regardless of ability to pay.

Over the past 20 years, a number of Medicaid waiver programs have been added to services offered in Virginia. Some of these programs have home care components, including Mental Retardation waiver, AIDS waiver, Technology-assisted waiver, and Respite Care. It is likely that additional programs will be added that will require public providers when the private sector has insufficient resources to meet the demand for service.

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#### **Service Area Products and Services**

- Medicare-certified home health care services which include:
  - Skilled nursing
  - Physical Therapy
  - Speech Therapy
  - Occupational Therapy
  - Home Health Aide
  - Medicaid-reimbursed Personal Care and Respite Care services.
  - Respite services for eligible self-paying or privately-subsidized individuals
  - Medicaid-reimbursed Mental Retardation waiver home care services
  - Non-Medicaid funded Personal Care services
- Community-based Nursing Home Pre-admission Screening services

#### **Factors Impacting Service Area Products and Services**

- Changes in Federal Medicare or Medicaid regulations may impact recipient eligibility, services authorized, or the reimbursement scale to home care agencies.
- Any change in the capacity of private sector providers (e.g., numbers of providers, financial constraints and organizational viability) will affect the need for local health departments to provide home care services. A decrease in private sector capacity will result in increasing the demand on public agencies to meet the need for services. Likewise, an increase in private sector capacity will cause public agencies to decrease or discontinue these services.

#### **Anticipated Changes To Service Area Products and Services**

- Medical technological advances will have an effect on the types of services that are appropriate to provide in the home environment.
- Increased availability of telemedicine.

#### **Service Area Financial Summary**

VDH is reimbursed for Nursing Home Pre-admission screenings (NHPAS) by the Department of Medical Assistance Services (DMAS).

The Home Health and Personal Care programs are funded through charges for services provided.

	<u>Fiscal Year 2007</u>		<u>Fiscal Year 2008</u>	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
<b>Base Budget</b>	\$300,000	\$5,013,632	\$300,000	\$5,013,632
<b>Changes To Base</b>	\$143,028	\$123,275	\$143,028	\$123,275
<b>SERVICE AREA TOTAL</b>	<b>\$443,028</b>	<b>\$5,136,907</b>	<b>\$443,028</b>	<b>\$5,136,907</b>

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## Service Area Objectives, Measures, and Strategies

### Objective 44015.01

***Provide community-based Nursing Home Pre-Admission Screening (NHPAS) for Virginians who are at risk for nursing home placement.***

This objective assures that frail or functionally dependent Virginians who request long term care are assessed by a professional team which makes sure that the appropriate level of service is authorized.

#### **This Objective Supports the Following Agency Goals:**

- Promote systems, policies and practices that facilitate improved health for all Virginians.  
( This objective is also aligned with the Council on Virginia's Future long term objective to "inspire and support Virginians towards healthy lives and strong and resilient families)

#### **This Objective Has The Following Measure(s):**

- **Measure 44015.01.01**

***Community-based NHPAS conducted by local screening teams.***

**Measure Type:** Output

**Measure Frequency:** Annually

**Measure Baseline:** In CY04, 96% of community nursing home screenings conducted by local health departments were reported and recorded in the VDH Web-vision database.

**Measure Target:** 100% by end of FY07.

**Measure Source and Calculation:**

VDH VISION system (state aggregate total from 1/1 – 12/31 of each year)

#### **Objective 44015.01 Has the Following Strategies:**

- The LHD will work collaboratively with the local DSS to assure that NH screenings are scheduled in a timely manner and are consumer-responsive.
- NHPAS responsibilities will be defined in the Employee Work Profile (EWP).
- The local health department (LHD) will identify a physician and a public health nurse to serve as members of the local community-based NHPAS team.

### Objective 44015.02

***The WTHD HHA will accept individuals for care and will provide care based on medical need regardless of ability to pay.***

Indigent and uninsured Virginians are often unable to access health services. By continuing to provide home health services in WTHD, medically indigent residents have access to services regardless of their ability to pay.

#### **This Objective Supports the Following Agency Goals:**

- Promote systems, policies and practices that facilitate improved health for all Virginians.  
( This objective is also aligned with the Council on Virginia's Future long term objective to "inspire and support Virginians towards healthy lives and strong and resilient families" through the delivery of comprehensive individualized and state of the art home health services without restriction by income.)

#### **This Objective Has The Following Measure(s):**

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- **Measure 44015.02.01**

**Percentage of individuals receiving home health services who are medically indigent.**

**Measure Type:** Output

**Measure Frequency:** Annually

**Measure Baseline:** In 2004, 12 percent of individuals served were medically indigent (uninsured and "A" income).

**Measure Target:** A minimum of 10 percent of individuals receiving home health services shall be medically indigent during FY07.

**Measure Source and Calculation:**

Centers for Medicare Services (CMS) Provider Statistical and Reimbursement Summary (PS&R), VDH VISION data, Calculation: Medically indigent home health clients as a percentage of the total home health clients

**Objective 44015.02 Has the Following Strategies:**

- Based on the HHA annual report, if the percent of indigent care falls below 10 percent, measures will be taken to determine reasons for the decline and to ensure referring providers are aware that WTHD accepts medically indigent clients.
- Maintain a data collection system that provides for analysis of patient population, including demographics, income, insurance and employment information, health data, and services received.